floated by the same promoters are getting further funds from Institutions and banks, if so, the action taken so far to discourage the same?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) Yes, Sir.

(b) Banks and financial institutions take action for recovery of dues against Non-performing Assets by various measures including enforcing securities and filling suits.

(c) RBI collects and disseminate information of defaulting borrowers and suit filed accounts among the public sector banks and financial institutions to put them on guard against such defaulters while taking credit decisions. The information circulated by RBI constitute on input in the process of decision making by the banks on the basis of their commercial judgement.

Compassionate Appointments in Indian Overseas Bank

1412. SHRI N. THALAVAI SUNDARAM: Will the Minister of FINANCE be pleased to state:

(a) how many applications are pending for appointment on compassionate grounds and how many appointments were made on compasionate grounds in the Indian Overseas Bank during the last two years 1996 and 1997; and

(b) whether it is a fact that the guidelines laid by the Hon'ble Supreme Court of India for such cases are followed?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) Indian Overseas Bank has reported that the number of appointments made on compassionate grounds during 1996 nad 1997 was 58 and 59 respectively. In addition, 41 applications are pending for want of relevant particulars from the applicants.

(b) Yes, Sir.

Appreciation in Indian Rupee

1413. SHRI RAJUBHAI A. PARMAR:
SHRIMATI VEENA VERMA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that as compared to March, 1993, the Indian rupee has appreciated in real and effective terms, by around 14%;

(b) if so, the precise basis for this conclusion; and

(c) what further steps are proposed to be taken to give further boost to strengthen the Indian rupee?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) According to the total trade based effective exchange rate indices compiled by the RBI, the Indian rupee shows an appreciation, in real effective exchange rate terms, of 14.4 per cent in January 1998 (latest available) over its value in March 1993.

(b) The total trade based effective exchange rate indices of rupee compiled by the RBI represent the exchange rate of the rupee against the weighted average of currencies of 36 foreign countries, both developed and developing. The weighting procedure is based on India's bilateral total trade (exports plus imports) during 1975 to 1991 with these 36 countries. The nominal effective exchange rate indices (NEER) adjusted for inflation differentials between India and these foreign countries provide the real effective exchange rate indices (REER) of rupee. The appreciation of rupee in REER terms over March 1993 level basically reflects the fact that the rates of inflation in India tended to be higher than the average inflation rates abroad during this period.